

REMARKS

Claims 1-6 and 22-31 have been canceled. New claims 32-40 have been added. Claims 7-21 and 32-40 are now pending in this application.

Reconsideration of the application is earnestly requested. The Examiner is thanked for the telephone interview of Wednesday, February 23, 2005. Applicant respectfully submits that the above amendments to the claims address the Examiner's rejections under sections 101 and 112.

The Examiner has rejected claims 7-23 as being anticipated by *Barnes et al.* Although the Examiner's arguments have been carefully considered, Applicant respectfully traverses this rejection as explained below.

As pointed out during the telephone interview, independent claims 7, 20, 21 and 32 each require three different entities: a customer, a third-party (such as a merchant) and a trusted party. The trusted party authenticates the customer for the benefit of the third party during an online transaction. Respectfully, it is pointed out that *Barnes* does not involve a trusted party for the purposes of authentication during a transaction. Figure 5 of *Barnes* shows a customer executing a purchase transaction with a supplier system; there is no trusted party involved during the transaction because the two parties authenticate one another using well-known public-key cryptography techniques. Figure 7 of *Barnes* shows how the procurement system 84 of the buyer and the supplier system 98 of the seller interact with the Motorola certificate authority well beforehand to set up their public-key infrastructure. But, Motorola is not involved during a purchase transaction, there is no request sent to Motorola during a transaction and there is no message sent from Motorola to the seller during a transaction.

For at least these reasons it is submitted that *Barnes* cannot anticipate claims 7-40 and it is requested that the rejection be withdrawn.

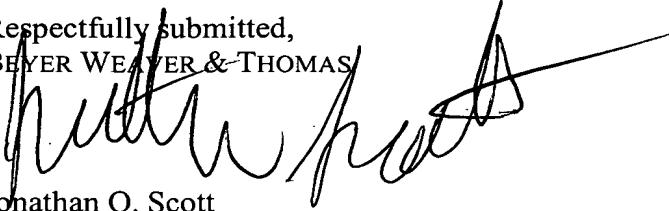
Rejections under 35 USC 101

Claim 7 has been rejected in that the claimed invention must be within the technological arts. The Examiner points out that although the preamble claims an online system, the limitations in the body of the claim provide no evidence of such a method or system. Claim 7 has been amended to require that steps occur during an online transaction. Further, it is noted

that claims 20 and 21 also require an online transaction in the body of the claims, and that claim 32 requires that steps occur over a network in the course of performing a financial transaction. It is requested that this rejection be withdrawn.

Reconsideration of this application and issuance of a Notice of Allowance at an early date are respectfully requested. If the Examiner believes a telephone conference would in any way expedite prosecution, please do not hesitate to telephone the undersigned at (612) 252-3330.

Respectfully submitted,
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